

## **FISCAL NOTE**

### **HB 3442**

March 3, 2004

**SUMMARY OF BILL:** Allows owners of one coin-operated amusement machine to pay only a \$10 "sticker tax" per year for this machine rather than the \$500 master license tax currently required in addition to the \$10 "sticker tax" on each machine.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - Net Impact - Less than \$100,000**

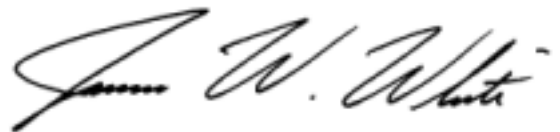
**Other Fiscal Impact - Forgone state revenue exceeding \$100,000**

Estimate assumes:

- Currently, owners of only one machine owe the state a total of \$510 for the master license and sticker fee. However, it is assumed that compliance with such registration requirements for owners of only one machine is extremely low. As a result, the new exemption would primarily result in forgone revenue to the state rather than a decrease in revenue since it is not currently being collected.
- There are at least 200 owners of one machine that are not in compliance with current registration requirements; therefore the forgone revenue to the state exceeds  $200 \times \$500 = \$100,000$ .
- The increase in revenue to the state is attributable to increased collections of the \$10 sticker fee since it is more likely that owners of one machine will voluntarily pay \$10 rather than \$510 for that machine.
- The decrease in revenues to the state is attributable to the few individuals that may be voluntarily paying all required fees at this time but would be exempt from paying the \$500 master license fee under the provisions of this bill.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director